



MEMORANDUM

TO: ALL MEMBERS OF THE BOARD OF DIRECTORS, OFFICERS AND TEAM MEMBERS OF ABOITIZ POWER CORPORATION
FROM: THE BOARD OF DIRECTORS
DATE:
RE: POLICY ON INFORMATION DISCLOSURE

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A. General Provisions

- I. This policy of information disclosure (the “Disclosure Policy”) of Aboitiz Power Corporation (the “Company” or “AboitizPower”) has been developed in accordance with applicable provisions of the laws of the Philippines, the Company’ Articles of Incorporation and applicable rules and regulations of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE).
- II. This Disclosure Policy shall regulate the disclosure of information by the directors, officers and employees of the Company about the Company, its subsidiaries and affiliates, including their business activities and results of operations.
- III. The Compliance Officer, under the supervision of the Chief Executive Officer (“CEO”), shall be responsible for ensuring the adherence to and compliance with this Disclosure Policy.

B. Definition of Terms

Authorized Persons shall mean any of the following officers of the Company authorized to disclose information to interested third parties such as investors, the public, the mass media, regulatory bodies and other governmental authorities as follows:

- a. The CEO;
- b. The Corporate Information Officer (“CIO”);
- c. The Chief Financial Officer (“CFO”);
- d. The Chief Operating Officer (“COO”);
- e. The Compliance Officer or the Corporate Secretary (“Corporate Secretary”); or
- f. The Chief Reputation Officer or the Corporate Communications Team.

Confidential Information means trade secrets or any non-public information about the Company having actual or potential commercial value because of the fact that it is unknown to third parties. Confidential information shall include, but not exclusively limited to, the following information:

- a. Financial Models;
- b. Business Strategies;
- c. Financial projections;
- d. Prospective investments; and
- e. Other material and non-public information that are not required to be disclosed by the relevant regulatory bodies under existing laws, policies, rules and regulations.

Material Information means information that (a) if disclosed to the public, would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the information; or (b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell or hold a security.

Public Information shall mean information, access to which is not restricted in any way, and the disclosure of which is required under the Corporation Code, the Securities Regulation Code and other applicable and relevant laws and regulations and includes:

- a. The Company's articles of incorporation as amended;
- b. The existing policies of the Company including, but not limited to, the policies of the governing bodies, audit and control bodies, disclosure policy, committees of the Company;
- c. The external auditor's reports and opinions;
- d. Annual accounting statements prepared in accordance with the PFRS;
- e. Annual accounting statements prepared in accordance with the IFRS;
- f. The annual report of the Company;
- g. The reports filed by the Company with the SEC and the PSE;
- h. An approved development strategy of the Company; and
- i. Information about the securities, and the financial and business operations of the Company.

C. Objectives and Principles

- I. This Disclosure Policy shall be implemented in accordance with applicable laws, and in the best interests of the Company and its shareholders. The goal of disclosure is to provide information to stakeholders and interested parties in order to assist such persons in making sound investment decisions.
- II. When disclosing information, the Company shall be guided by the principles of accuracy, accessibility, timeliness, completeness, and regularity, and additionally, will seek to maintain a reasonable balance between the transparency of the Company and the protection of its commercial interests, while complying with relevant provisions of the laws of the Philippines, the Articles of Incorporation, this Policy and other internal documents of the Company.
- III. The Company shall not avoid the disclosure of negative information if such information might be considered material or essential to stakeholders or potential investors.
- IV. For purposes of disclosure, the preferential treatment of any one group of recipients of such information ("Selective Disclosure") shall be prohibited unless otherwise provided for by the laws of the Philippines, and other applicable and current rules and regulations.

D. Rules for the Disclosure of Information

- I. The Compliance Officer shall be responsible for the organization, accuracy and timeliness of disclosure of Material Information, as well as the filing of the reports with the relevant regulatory bodies and other governmental authorities. No Material Information shall be reported or divulged to third parties until the same have been properly disclosed to the PSE and the SEC first.
- II. The Company shall disclose all Material Information affecting the financial and business operations of the Company. In addition, the Company shall also disclose information on the following events and activities:
 - a. Changes in the name of the Company;
 - b. Decisions regarding the increase or decrease of its authorized capital stock;
 - c. A purchase by the Company of its own shares, and a statement disclosing the source of funding for the acquisition, the purchase price, as well as the goals and reasons for such purchase;
 - d. Price fluctuations of 5% or more of the Company's shares over a relatively short period of time;

- e. Transactions that may affect the interests of the shareholders or the use of the Company's assets, including information regarding the use of shares and the other parties involved in such deals;
 - f. Cessation of the production of goods and services, the sales of which counted for at least 10% of the Company's total output based on the results of the previous fiscal year;
 - g. Changes in the business priorities of the Company;
 - h. Amendments to the articles of incorporation relating to the issuance of preferred shares of categories other than those previously issued; and
 - i. Changes of the external auditor, registrar or depository of the Company.
- III. Public statements that may have a significant impact on the Company's business activities and/or the value of its securities shall be coordinated with the CEO (or other person determined by the CEO).
- IV. In times of emergencies or extraordinary circumstances, where none of the Authorized Persons is available to make the disclosure to the public, Authorized Persons may designate other officers or employees of the Company to act on their behalf and respond to any inquiries within their competencies. However, no person other than the Company's duly authorized and appointed Authorized Persons may comment upon or answer any questions, or respond to any inquiries regarding the Company's business activities and results of operations, without special authorization or order of an Authorized Person.
- V. Authorized Persons shall be fully informed of the Company's business activities and results of operations that might be of interest to the business community for the purposes of:
- a. Determining the materiality and timing of the disclosure of the information;
 - b. Ensuring the proper understanding of the current operations of the Company that may be of interest to investors; and
 - c. Preventing situations where the Company might inadvertently deny the occurrence of any significant events, despite the fact that they actually occurred.
- VI. If any officer or employee of the Company participates in any public event, as part of his or her official or other duties, such officer or employee shall ensure that any disclosure of information regarding the Company is made in strict compliance with this Disclosure Policy.
- VII. The Corporate Secretary shall play a key role in implementing the Company's Disclosure Policy. In particular, the Corporate Secretary, in coordination with the CEO, shall ensure:
- a. The timely disclosure of information contained in the reports of the Company, and information regarding material events affecting the Company's business and financial operations; and
 - b. The safekeeping of the Company's documents that are subject to mandatory storage, control access thereto and provide copies thereof. The Corporate Secretary shall certify copies of these documents or information when required by existing laws, policies, rules and regulations.
- VIII. In addition to mandatory disclosure requirements, the Company shall prepare and disclose information regarding the following:
- a. The Company's Corporate Governance Policy;
 - b. The Social and Environmental Policy;
 - c. The activities of the Company's various governing bodies;
 - d. The corporate documents of the Company; and
 - e. Those shareholders who own five percent (5%) or more of the Company's shares, including information on indirect (beneficial) ownership.

The Company shall ensure unrestricted access to the foregoing information by interested parties.

- IX. In addition to the means of disclosure required by law, the Company shall:
- a. Publish information about the Company in the mass media or issue press-releases when in the opinion of the Authorized Person, the information or the situation requires such publication;
 - b. Conduct regular meetings (information briefings and/or press conferences) with shareholders, potential investors and other market participants;
 - c. Update the Company's website regularly to insure that the latest press releases, news, results of operations or briefings are uploaded in the website; or
 - d. Conduct any other means of disclosure as established by the Board of Company.
- X. The Company shall publish on its website Public Information regarding the Company and may also publish brochures and booklets regarding the Company's current or upcoming operations or projects.
- XI. The Company shall disclose Material Information in the form of:
- a. Quarterly reports on the issued securities of the Company;
 - b. Statements of material events affecting the financial and business operations of the Company;
 - c. Disclosures of information contained in the registered decision regarding the issuance of the Company's securities;
 - d. Annual Reports to the stockholders;
 - e. Disclosures of information contained in the registered securities prospectuses of the Company; and
 - f. Disclosures of information contained in the registered report on results of the issue of the Company's securities.
- XII. The Annual Report shall be signed by the CEO and the CFO of the Company, and presented and/or circulated to the Board prior to filing with the Securities and Exchange Commission and Philippine Stock Exchange. In addition to the information required to be disclosed under the SRC, the Annual Report of the Company shall contain the following:
- a. An analysis of the competitive position of the Company;
 - b. An analysis of the Company's profitability;
 - c. A comparison of the planned and actual results of the Company for the year;
 - d. Net profit information, including total net profit from the Company's principal activities, and net earnings per share;
 - e. An assessment of changes in the asset structure over the past three years;
 - f. The Company's labor and training policy; and
 - g. The Company's corporate governance system and main corporate governance event during the reporting period.
- XIII. The Company shall publish audited financial statements not later than June 1 of the year, following the reporting year.
- XIV. The Company shall keep a record of its affiliated entities, and file reports on affiliated entities as required under existing the laws of the Philippines.
- XV. The Company shall hold quarterly analysts' briefing. Notice of analysts' briefing shall be published in the Company's website www.aboitzpower.com at least 10 days before the date of the briefing. At the analysts' briefing, the shareholders and any other interested parties may receive

information on the Company's business activities, and pose questions to representatives of the executive bodies of the Company.

E. Private Information

i. Confidential Information

- I. There is no legal right to free access to Confidential Information, and the possessor of such information shall be responsible for taking steps to protect its confidentiality.
- II. The Company shall take all necessary steps and actions to protect its Confidential Information. Only the following have access to Confidential Information:
 - a. The Board Members;
 - b. Authorized Persons;
 - c. Other officers of the Company other than the Authorized Persons; and
 - d. Any officers as may be authorized by the foregoing persons.
- III. The CEO of the Company shall have the right to make changes and amendments to the list of persons having access to Confidential Information.
- IV. The Company shall require all its officers and employees to sign confidentiality agreements.
- V. Persons having access to Confidential Information shall not use such information for entering into any business transactions, nor shall they disclose such information to third parties for commercial use.
- VI. Persons who have illegally acquired the Company's Confidential Information shall reimburse the Company for any losses incurred. The same shall apply to the employees of the Company who have disclosed Confidential Information in violation of their employment contracts, and to any other contracting parties disclosing such information in violation of their contractual agreement.
- VII. The Company shall provide access to the documents and information listed in Section D. subsection XI when requested by those governmental and law enforcement authorities entitled to have access to such information pursuant to applicable laws of the Philippines, as well as when requested by employees of the Company.

ii. Material Non Public Information

- I. Material Non Public Information refers to Material Information that is not available to the general public and may include:
 - a. Information that directly relate to the Company, its subsidiaries and their securities, as well as the business prospects of the Company and its subsidiaries;
 - b. Information of a specific nature;
 - c. Any non-public information; or
 - d. Information that, if published, might significantly affect the price of any of the Company's securities after the lapse of reasonable time for the market to absorb the information.
- II. Insiders are prohibited from disclosing Material Non Public information or from engaging in any transactions using Material Non Public information.
- III. The following persons are considered Insiders:
 - a. Members of the Board and other corporate executive and control bodies;

- b. Persons employed by or was employed the Company or its subsidiaries and related companies in any official or professional capacity pursuant to an employment contract, and having access to insider information pursuant to the terms of such contract;
 - c. Officials of governmental authorities and agencies, or local authorities to which the Company submits its report; and
 - d. Any person who learns such information by a communication from any of the foregoing insiders.
- IV. In addition to the Policy on Trading of the Company's Securities, the Board may establish additional procedures for the appropriate handling and use of Material Non Public Information as it may deem fit and appropriate.
- V. The CEO and the Compliance Officer of the Company shall be responsible for ensuring compliance with applicable laws and any special requirements provided for in the Company's Articles of Incorporation and By-Laws, policies and other internal documents to prevent conflicts of interest the improper use of Material Non Public Information by the employees and business units of the Company.

iii. Information Provided to the Company

- I. If the Company is required to disclose information that is provided to by other persons or legal entities, the Company shall use its best efforts to ensure the timely receipt and continuous update of such information.
- II. The Company's internal regulations shall set forth the appropriate procedure and deadlines for filing, and define the personal information required to be filed by the candidates for the Company's Board of Directors.
- III. When requested by the CEO or other persons duly authorized by the CEO, the registrar of the Company shall make available that information contained in the share registry of the Company in accordance with the procedures set forth by the laws of the Philippines.
- IV. The Company shall keep a record of its affiliates and file reports on such affiliates in accordance with the existing laws, policies, rules and regulations.
- V. The external auditor of the Company shall provide the Company with the results of any audit of the Company's financial and business operations in accordance with the applicable laws, policies, rules and regulations.

F. Rights of the Shareholders to Information

- I. The Company shall ensure that shareholders have access to the documents and information as set forth in the Company's Manual on Corporate Governance and Code of Conduct and Business Ethics.
- II. All shareholders shall have the right to review documents bearing Public Information at the principal address of the Company which is located at 32nd Street, Bonifacio Global City, Taguig City, Metro Manila. The Company shall provide copies of any such documents upon the request of any shareholder.
- III. Requests to review or receive copies of documents shall be made in writing to the attention of the Corporate Secretary and be sent to the following address: NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila. The request shall state the full name of the shareholder (for legal entities, their names and location), the number and category (class) of shares owned by the shareholder and the title of the document requested. The request is to be accompanied by an extract from the share register as issued by the Company's stock transfer agent.

- IV. The Corporate Secretary of the Company shall be required to verify the share ownership of the person requesting information.
- V. The documents shall be made available for inspection free of charge within ten (10) business days after the date of request.
- VI. Copies of the documents shall be made available within ten (10) business days after the relevant request and after receipt of payment from the shareholder for the copy and postage costs incurred by the Company. If copies of the documents are sent to the requesting party by mail, the date of dispatch shall be considered the date of providing the documents.

G. Amendment of this Disclosure Policy

The Board Corporate Governance Committee, in coordination with the Authorized Persons, shall develop, regularly review, and improve this Disclosure Policy.